VZCZCXRO2743 OO RUEHCI DE RUEHKT #1154/01 3561202 ZNY SSSSS ZZH O 221202Z DEC 09 FM AMEMBASSY KATHMANDU TO RUEHC/SECSTATE WASHDC IMMEDIATE 1184 INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 7248 RUEHLM/AMEMBASSY COLOMBO PRIORITY 7587 RUEHKA/AMEMBASSY DHAKA PRIORITY 2933 RUEHIL/AMEMBASSY ISLAMABAD PRIORITY 5628 RUEHLO/AMEMBASSY LONDON PRIORITY 6726 RUEHNE/AMEMBASSY NEW DELHI PRIORITY 3401 RUEHSA/AMEMBASSY PRETORIA PRIORITY 0294 RUEHCI/AMCONSUL KOLKATA PRIORITY 4887 RUEHGV/USMISSION GENEVA PRIORITY 2492 RUEKJCS/SECDEF WASHDC PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 3772 RHEFDIA/DIA WASHDC PRIORITY RHMFISS/CDR USPACOM HONOLULU HI PRIORITY RUEAIIA/CIA WASHDC PRIORITY RHEHNSC/NSC WASHDC PRIORITY

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## STPDTS

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TAGS: <u>PGOV PHUM PINR KDEM NP</u>

SUBJECT: NEPAL: MAOIST YOUNG COMMUNIST LEAGUE ACTIVE, STRONG

Classified By: Charge d' Affaires, a.i. Randy Berry. Reasons 1.4 (b/d)

11. (C) SUMMARY: With more than 700,000 members, the Maoist-affiliated Young Communist League (YCL) is the country's largest, best-organized youth paramilitary organization. The Maoist leadership uses the YCL to enforce general strikes, intimidate voters, and raise funds, mostly through mafia-like criminal activities, such as smuggling, extortion, manipulation of government tenders, and protection demands, bringing in an estimated USD 36-40 million per year, according to police. In meetings with YCL and Maoist leaders, Post continually presses for the reform of the YCL and end to its criminal activities. While most YCL leaders are little more than criminal gang leaders, some appear genuinely interested in improving the lives of Nepali youth and resent being used solely as the "muscle" for the Maoist party. END SUMMARY.

Communists, Comrades, and Commissars: Who Are the YCL?

- 12. (C) Formed in the Rolpa district of Western Nepal in 1991 as an association of small, leftist and communist youth groups, the YCL initially participated in mass protest movements. When the Maoists started the insurgency in 1996, the YCL disbanded and its members largely joined the People's Liberation Army (PLA). Following the end of the civil conflict in 2006, the YCL was formally reestablished as the de facto Maoist paramilitary organization. Many PLA cadres joined the YCL, despite the Comprehensive Peace Agreement requirement that all PLA combatants move to UN-monitored cantonments. From 2006-2008, the YCL operated between 15-20 "re-education camps" where prostitutes, drug addicts, and those accused of being anti-Maoist were tried in YCL courts and held in detention. Under significant international pressure, these camps were closed in 2008. According the UN's Office of the High Commissioner for Human Rights (OHCHR), the YCL engaged in widespread human rights abuses, torture, abductions, extrajudicial killings, and disappearances throughout late 2006 and well into 2007. YCL violence is down considerably this year according to ICRC and the UN. Several analysts suggest that the Maoist leadership ordered the YCL to tone down its violent activities, in part because of growing international and domestic pressure.
- $\P 3$ . (C) A 45-member central executive committee, headed by chairman Ganesh Man Pun, leads the organization. Pun, an ethnic Magur who was Commissar of the Parivarthan Memorial

Ninth Brigade of the PLA, is sharp, articulate and inquisitive. During a meeting December 1 meeting with EmbOffs, Pun said there were at least 700,000 YCL cadres. At the village, state, district, and regional level, the YCL leadership structures maintain control for mass mobilization. According to Pun, potential YCL leaders are first vetted, then nominated at a conference, and finally put forward for elections. At the district level, YCL elections are held yearly and at the national level elections are held every two-three years. Additional Inspector General of Police (AIGP) Prakash Kunwar told PolOff on November 27 that at least 90 percent of YCL members are ex-combatants and the senior leadership includes former battalion or deputy battalion commanders who, like Pun, have chosen not to be cloistered in the UN-monitored cantonments.

## Little Red Book Trumps the Prachanda Path?

14. (C) The YCL's declared objective is to "uphold, apply, and develop the revolutionary ideas of Marxism-Leninism-Maoism and the Prachanda Path and to organize and mobilize youth to implement propaganda among the masses." (Note: the "Prachanda Path," named for Maoist leader Pushpa Kamal Dahal "Prachanda," purports to adopt principles of communism to Nepal's rural circumstances. End Note.) Pun, in his discussion with PolOffs, reiterated the Marxist-Leninist mantra but downplayed the "Prachanda Path" as an ideological beacon, noting it was "under discussion." According to Pun, the YCL is as committed to pragmatic action as it is to ideology. Pressed by EmbOffs on the YCL's continuing land

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seizures and use of violence, Pun said that "other organizations" sometimes commit illegal acts using the YCL name. Job creation, economic expansion, and empowering youth in the political process are the main short-term goals of the YCL, Pun claimed, sounding more like a mainstream political elite than a Maoist comrade.

- 15. (C) According to the Nepal Police's Kunwar, few YCL members are politically motivated -- the bulk are purely opportunistic in a country with poor job prospects and a rigid caste system that still alienates and marginalizes entire cross-sections of society based solely on birth. Contacts who track YCL activities believe the organization is not nearly as ideological as it professes. A Kathmandu-based Norwegian diplomat with an extensive on-going relationship with the YCL and other political youth wings says that the YCL is as pragmatic as any other political group in Nepal. During his 40 plus meetings with the YCL over the past two years, he has seen a highly organized institution that is looking for creative ways to break out of its muscular diplomacy and emerge as a recognized political entity that can make meaningful contributions to the "mother" Maoist party.
- 16. (C) The Norwegian diplomat said the YCL leadership, particularly Pun and Secretary R.C. Sharma (the "thinker and brains of the YCL"), are adept at including ethnic minorities and Dalits in leadership roles in the organization in a way the central Maoist party has not done, despite its egalitarian rhetoric. The YCL through its engagement with the Norwegian Embassy requested support for internal capacity building -- specifically, project development, communications skills, and financial management training. Through the Norwegian engagement project, the YCL (and other youth groups) drafted and presented youth policy documents to the Ministry of Youth and emerged from the endeavor feeling proud. Elements within the YCL feel like they are pawns of the Maoist party with some showing resentment.

Great Leap Forward: Reinvestment from Criminal Enterprises

17. (C) With the Maoists no longer in government and unable to reap the financial rewards of controlling ministries, the burden of party income generation has largely fallen on the

Intelligence and police sources believe that YCL criminal activity has increased over the past six months. The Embassy's Senior Law Enforcement Advisor reported that the luxury hotels in Kathmandu pay protection money and offer in-kind services -- free rooms, alcohol, and dinners -- to the YCL and Maoists. According to the police, the YCL protects those smuggling sandalwood, common firewood, and wood for construction from China, and then takes a cut of the profits. Ammunition smuggling from India has become so commonplace that the Nepal Police are now searching people carrying the ubiquitous backpacks that have become associated with YCL smugglers. YCL smugglers carry and traffic single shot, cheap (1,000 rupees or about USD 13) locally-made pistols. The YCL also skims money off the top of government and private tenders. According to Kunwar, the YCL demands 7 percent of a tender's value and 10 percent for protection. Police sources estimate the YCL generates illegal revenue of between 270-300 billion rupees per year (USD 36-40 million). The YCL cadres have seized at least 300 acres of land in the Kathmandu Valley alone since 2006, according to the Land Registration Office.

18. (C) YCL members have invested or laundered their money through legitimate commercial enterprises. They are buying land, restaurants, hotels, and hospitals. Sudip Pathak, president of the Human Rights Organization of Nepal (HURON), told PolOff on November 27 that the YCL operates more than 500 taxis and 200 buses in the Kathmandu valley and is expanding their network through control of key transport unions. Pathak has served as an informal negotiator between the YCL and business and landowners whose properties were seized by the YCL. Based on his experiences with the YCL across Nepal, more than 70 percent of the YCL membership are

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juvenile delinquents and criminals who are solely in the movement for the money. Organizationally, local YCL leaders are given permission to allow their members to commit petty crimes and extortion. If the mischief gets out of hand, however, the central leadership will reel them in and repair the damage if necessary. It is unclear how much money is passed up in the organization, but leaders solicit internal donations, which facilitate upward mobility.

Red Storm Rising: Government Unable to Contain YCL

 $\P 9$ . (S/NF) Police and intelligence sources are generally aware of YCL criminal activities, but have little ability and political backing to crackdown beyond high profile cases or egregious crimes. Ashok Dev Bhati, Chief Investigation Director of the National Investigation Department (NID) (Nepal's main intelligence agency), told PolOff that NID "has a dangerously low level of resources" and its ability to monitor YCL communications is limited due to lack of modern intercept technology. Kunwar of the Nepal Police said YCL members are aware that police monitor their phone calls, so get friends or even strangers (through coercion) to register SIM cards in their names so YCL members have no cell phone records. Bhati described the YCL as extremely well organized with "a high level command system with vast capability. According to Kunwar, the YCL maintain 45 "safe houses" in Kathmandu alone; these are usually properties which have been illegally seized -- owners fear retaliation and often do not report home seizures -- and are used by the YCL to plan activities; an estimated 8,000 YCL members are staying in these safe houses.

110. (C) Kunwar lamented the relatively free rein given to the YCL. "The government's policy is peace at any cost," he noted with regret. The police have only a few water cannons for crowd control, and all of them are here in Kathmandu. More troubling though is the "the nexus local police have made with the YCL." Police make plenty of routine arrests but the arrests do not stick. The YCL takes a tactical view of its operations and its members; those accused of kidnapping, murder, or other grave crimes either get full backing of the

YCL or they are disowned and expelled. Both Kunwar and Bhati downplayed the YCL as a law enforcement problem, and instead attributed the problem to political parties which have failed to hold the Maoists accountable and oversee the disbandment of the YCL.

## Comment:

111. (C) The YCL has shown remarkable tenacity, discipline, and organizational skill, both as a movement and as an institution, functioning more like an army than political organization. With extensive networking abilities and experience organizing general strikes that can paralyze Nepal, the YCL is better organized than Nepal's mainstream political parties. The organization could play a larger, destabilizing role in Nepal if the peace process falters and the Maoists resort to violence to further their political agenda. Should the peace process take hold and mature, there are encouraging signs the YCL has at least some elements in its senior leadership that seem committed to butter and not solely guns. The key now is for the peace process to reach a conclusion, allowing a stable government to establish security and rule of law that narrows the space for YCL criminal activities.

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